This Calendar Item No. *C44* was approved as
Minute Item No. *44* by the California State Lands
Commission by a vote of *3* to *0* at its *02-09-06*
meeting.

# CALENDAR ITEM
## C44

A    27
S    15

02/09/06
PRC 5092    WP 5092.1
J. McComas

## GENERAL LEASE- INDUSTRIAL USE

**APPLICANT**:

Silverking Oceanic Farms, Inc.
P. O. Box 254
Davenport, CA 95017

**AREA, LAND TYPE, AND LOCATION**:

4.132 acres, more or less, of sovereign lands in the Pacific Ocean, offshore of Davenport Landing, Santa Cruz County.

**AUTHORIZED USE**:

Continued operation and maintenance of two concrete fishways and four 24-inch diameter water intake lines for an upland aquaculture production facility.

**LEASE TERM**:

20 years, beginning March 1, 2006.

**CONSIDERATION**:

$1,275 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

**SPECIFIC LEASE PROVISIONS**:

Insurance:
  Liability insurance with coverage of no less than $1,000,000.
Bond:
  Surety bond in the amount of $5,000.

**OTHER PERTINENT INFORMATION:**

1.    Applicant has the right to use the uplands adjoining the lease premises.

2.    On February 27, 1996, the Commission authorized a General Lease-Industrial Use with Silverking Oceanic Farms, Inc. The lease will expire

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February 28, 2006, and Silverking Oceanic Farms, Inc. is now appying for a new General Lease - Industrial Use.

3.  The Applicant operates an upland aquaculture facility pursuant to California Department of Fish and Game (DFG) Code Section 15101 and is registered with the DFG (Registration No. 00638). The registration with DFG authorizes the Applicant to engage only in the cultivation of red and black abalone, which are native species.

4.  Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; Title 2, California Code of Regulations, section 2905 (a)(2).

    Authority: Public Resources Code section 21084 and Title 14, California Code of Regulations, section 15300 and Title 2, California Code of Regulations, section 2905.

5.  This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

**EXHIBIT:**
   A.   Site and Location Map

**RECOMMENDED ACTION:**
IT IS RECOMMENDED THAT THE COMMISSION:

   **CEQA FINDING:**
   FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 1, EXISTING FACILITIES; TITLE 2, CALIFORNIA CODE OF REGULATIONS, SECTION 2905 (a)(2).

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## CALENDAR ITEM NO. **C44** (CONT'D)

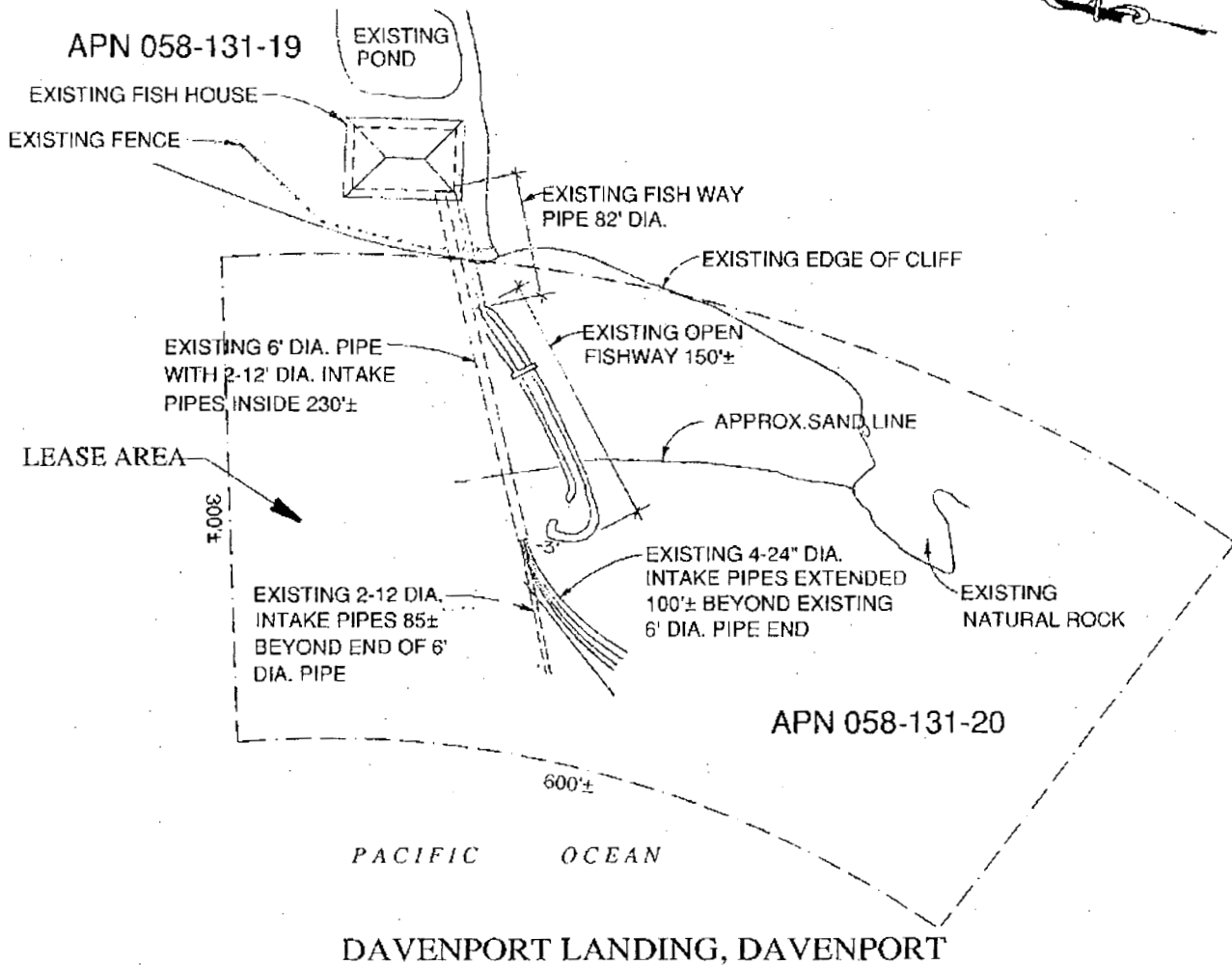**SIGNIFICANT LANDS INVENTORY FINDING:**

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE
CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE
LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370,
ET SEQ.

**AUTHORIZATION:**

AUTHORIZE ISSUANCE TO SILVERKING OCEANIC FARMS, INC. OF A
GENERAL LEASE - INDUSTRIAL USE, BEGINNING MARCH 1, 2006,
FOR A TERM OF 20 YEARS, FOR THE CONTINUED OPERATION AND
MAINTENANCE OF TWO CONCRETE FISHWAYS AND FOUR 24-INCH
WATER INTAKE LINES FOR AN UPLAND AQUACULTURE
PRODUCTION FACILITY AS SHOWN ON EXHIBIT A ATTACHED AND
BY THIS REFERENCE MADE A PART HEREOF; CONSIDERATION:
$1,275 PER YEAR; WITH THE STATE RESERVING THE RIGHT TO FIX
A DIFFERENT RENT PERIODICALLY DURING THE LEASE TERM, AS
PROVIDED IN THE LEASE; LIABILITY INSURANCE WITH COVERAGE
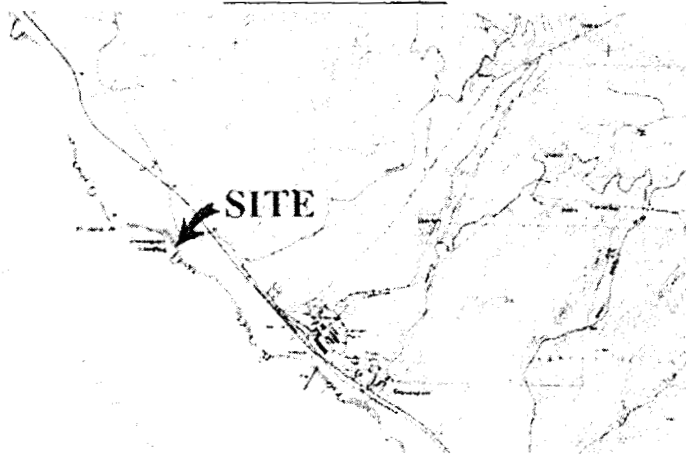OF NO LESS THAN $1,000,000; SURETY BOND IN THE AMOUNT OF
NO LESS THE $5,000.

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## SITE

NO SCALE

APN 058-131-19

EXISTING POND

EXISTING FISH HOUSE

EXISTING FENCE

EXISTING FISH WAY PIPE 82' DIA.

EXISTING EDGE OF CLIFF

EXISTING 6' DIA. PIPE WITH 2-12' DIA. INTAKE PIPES INSIDE 230'±

EXISTING OPEN FISHWAY 150'±

LEASE AREA

APPROX. SAND LINE

300'±

EXISTING 2-12 DIA. INTAKE PIPES 85± BEYOND END OF 6' DIA. PIPE

EXISTING 4-24" DIA. INTAKE PIPES EXTENDED 100'± BEYOND EXISTING 6' DIA. PIPE END

EXISTING NATURAL ROCK

APN 058-131-20

600'±

*PACIFIC OCEAN*

## DAVENPORT LANDING, DAVENPORT

## LOCATION

NO SCALE

SITE

MAP SOURCE: USGS QUAD

## Exhibit A

WP 5092
SILVERKING OCEANIC FARMS
APN 058-131-20
GENERAL LEASE
SANTA CRUZ COUNTY

SITE

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.